RENTAL MARKET REPORT

Kelowna CMA

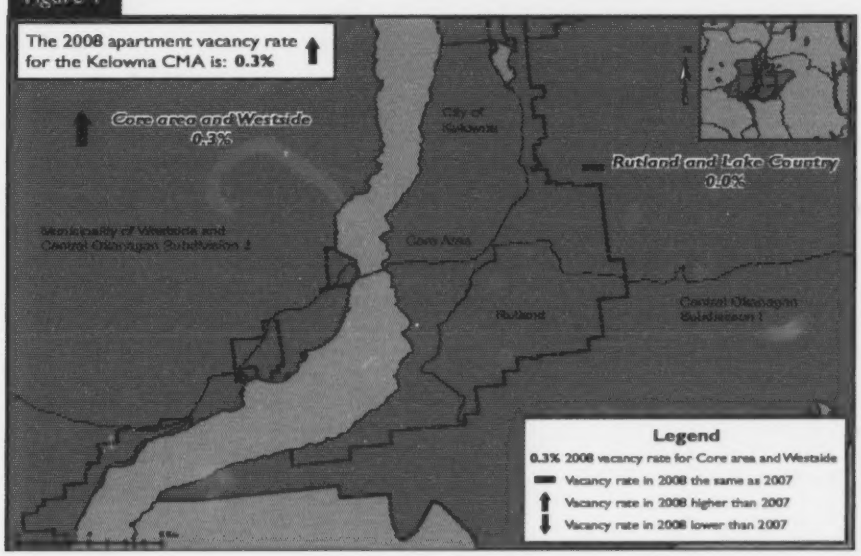
Canada Mortgage and Housing Corporation

Release Date: Fall 2008

Vacancy Rate Remains Low

- The Kelowna area vacancy rate edged up to 0.3 per cent in October 2008 from zero vacancy a year ago.
- Strong population growth in combination with declining supply of purpose-built apartment and townhouse rental units have kept vacancy rates low.
- Sustained low vacancy rates have put upward pressure on both apartment and townhouse rents during the past year.
- The Kelowna area vacancy rate is expected to increase to one per cent in 2009. Rents are forecast to continue rising in 2009. Expect smaller increases as demand for rental homes eases slightly.

Figure 1


The 2008 apartment vacancy rate for the Kelowna CMA is: 0.3%
Core area and Westside 0.3%
Rutland and Lake Country 0.0%
City of Kelowna
Core Area
Rutland
Legend
0.3% 2008 vacancy rate for Core area and Westside
Vacancy rate in 2008 the same as 2007
Vacancy rate in 2008 higher than 2007
Vacancy rate in 2008 lower than 2007

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Kelowna Records Few Vacancies

Rental housing has remained hard to find in Kelowna. Kelowna's apartment vacancy rate edged up to 0.3 per cent in October 2008 from zero vacancy the previous year. The increase represents a very small number of units. The townhouse vacancy rate fell to 0.2 per cent, with only one of 401 units vacant and available for rent. At 0.3 per cent, the combined apartment and townhouse vacancy rate remained below the one per cent level for the fourth consecutive year in 2008.

Strong demand for rental housing has kept vacancy rates low. Rental housing starts have continued to lag behind growth in demand. Also, the stock of existing purpose-built rental housing has declined, contributing to sustained low vacancy rates. High home prices, have for some renters, delayed the move to home ownership.

Population Growth Fuels Demand

Tight labour markets have fuelled in-migration and demand for rental housing. Kelowna continued to experience a shortage of workers in 2008. New jobs were added in the high tech, trade, health care, personal and other service related industry sectors.

The residential construction industry remains a key employer. New home construction, though slowing in the second half of 2008, will total 2,400 homes – well above the ten year average of 1,797 units.

The Kelowna International Airport and the University of British Columbia – Okanagan campus (UBC Okanagan) have emerged as key growth sectors. UBC Okanagan has become a major economic driver since its creation in 2005, bringing direct and spin-off employment, significant capital expenditure, industry partnerships, research dollars and profile to the region. Student enrolment has steadily increased, pushing up demand for rental accommodation.

Major non-residential construction projects, including the Kelowna International Airport expansion, the new bridge across Lake Okanagan and retail outlets have also boosted employment. The incorporation of Westbank and other neighbourhoods located on the west side of Lake Okanagan have generated additional economic activity and employment growth. Kelowna's unemployment rate, while edging up in recent months, stayed near record lows in 2008.

High home prices have contributed to strong rental demand. Kelowna recorded double-digit price increases during the six year period from 2002 to 2007. The price of existing detached units has doubled since 2003. Both condominiums and townhouses have also seen big price increases. More recently, home prices have begun to trend down in response to changing supply and demand conditions.

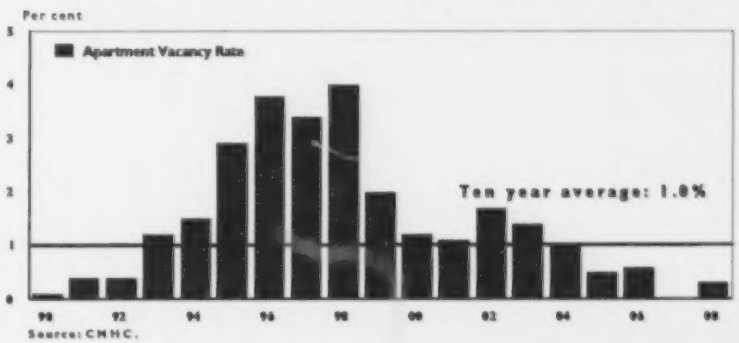
Stock of Purpose-Built Rental Units Declines

Strong demand for entry-level ownership units and rising prices have led to more conversions of rental units to home ownership units this year. The stock of apartment and townhouse rental units declined by 3.7 per cent or 164 units (excluding buildings temporarily unavailable due to renovations) in 2008. The loss of rental units through conversion to home ownership has exceeded new additions to the stock.

Despite sustained low vacancy rates, Kelowna has seen few additions to the stock of apartment and townhouse rental housing in recent years. Apartment and townhouse rental housing starts totalled only 40 units in the two year period 2005 and 2006, down from almost 350 units during the previous four year

Figure 2

Apartment Vacancy Rate Remains Low



period. No rental units were built in 2007. The viability of new rental housing has been problematic given achievable rents and high land prices and construction costs. The condominium market has been, until recently, a more attractive development opportunity for builders.

The secondary rental market, comprised mainly of accessory suites and investor-owned condominiums, has been the biggest source of new rental housing in recent years. In-unit secondary suites, detached "carriage homes" or "granny flats" and attached or detached accessory buildings with suites have become increasingly popular among home owners as mortgage helpers. With the supply of existing homes for sale up sharply and inventories of new, completed and unsold units on the rise, more ownership units will become available as rentals next year.

Kelowna will see more rental housing starts this year and next. A three phase, 144 unit apartment building is currently under construction, the first large privately-initiated rental project to be built since 2005. The City of Kelowna announced that construction will begin on up to 140 units of publicly-initiated rental housing in 2009. This housing is intended to accommodate clients with special needs. A similar 30 unit apartment project came on stream this year. Although available to targeted client groups only, additions to the stock of publicly-initiated rental accommodation will free up private rental units.

Construction costs have also begun to ease in response to moderating demand. Looking forward, lower costs together with rising rents and reduced demand for ownership housing may generate more interest in rental construction next year.

Rents Increase

Sustained low vacancy rates have led to strong upward pressure on rent levels for the second straight year. The average rent (all bedroom types) in existing apartment structures increased by 7.6 and 8.2 per cent in 2007 and 2008, respectively. This year's increase extends across all bedroom types. Buildings constructed between 1960 and 1974 recorded the biggest rent increases. Many buildings in this age range are being upgraded, enabling owners to acheive significantly higher rents.

Townhouse rents had smaller increases this year following double-digit gains in 2007. Average rents for secondary rented units including single and semi-detached homes, duplexes and accessory suites were also up in 2008.

The Core area continues to command higher rents. This year, average one and two bedroom apartment rents in existing structures rose faster in the core area than Rutland. The historical price differential between Core area rents and Rutland rents widened in 2008, reversing a two year trend. The increase reflects, in part, renovations to older buildings. Rutland recorded larger rent increases in the previous two years. Growing commercial development along the Highway 97 corridor has meant more jobs in and around Rutland. Proximity to UBC Okanagan has also led to increased demand for rental accommodation in Rutland, putting upward pressure on rents.

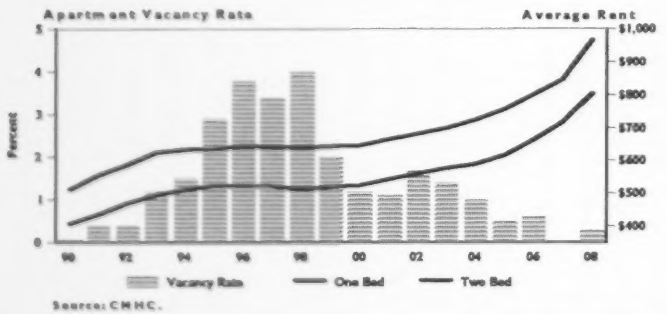
Vacancy Rates Will Remain Low in 2009

The demand outlook points to slightly higher vacancy rates in 2009. The Kelowna area economy will grow at a more modest pace next year. Employment in the residential construction industry, a key economic driver and source of job growth, will decrease as demand for new housing moderates. Kelowna's unemployment rate, while low by historical standards, will edge up in 2009.

The home ownership market will be more attractive to renters in 2009. Home buyers will benefit from increased supply and more intense price competition. Lower prices will contribute to improved affordability.

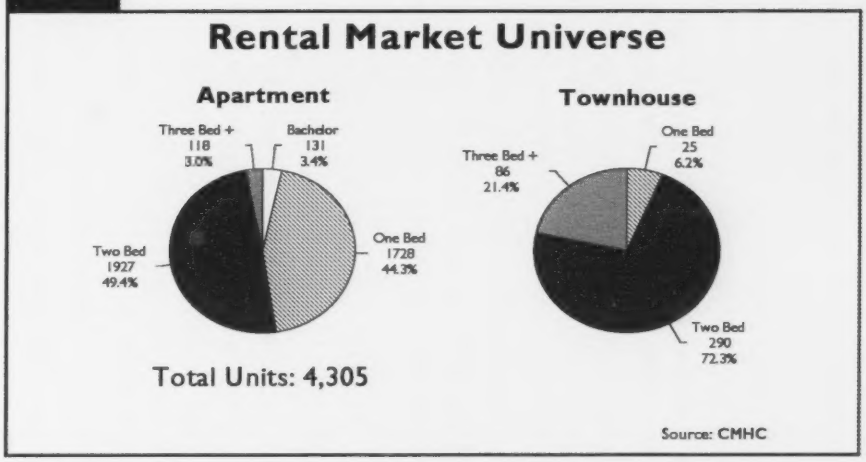
Figure 3

Low Vacancy Rates Push Up Rents



Source: CMHC.

Figure 4



Purpose-built rentals will face stronger competition from the secondary rental market in 2009. With demand for existing homes moderating and the supply of homes for sale at record high levels, more single detached and semi-detached, row and apartment condominium units will become available as investor-owned rentals. Similarly, many condominium projects currently under construction are nearing completion. Rising inventories of completed and unoccupied units, and increasingly sluggish absorptions and pre-sales may lead some builders to rent out units.

Kelowna will see more additions to the stock of purpose-built apartment rental housing this year and next. Multi-family rental housing starts will total 48 units this year and another 50-100 units in 2009.

The availability rate for one, two and three bedroom apartment units has increased from a year ago. CMHC's availability rate measures the proportion of vacant units and units for which the existing tenant has given or received notice to move, and for which a new tenant has not signed a lease. Rising availability rates and larger differential between vacancy and availability rates than last year, point to moderating demand and suggest slightly higher vacancy rates in 2009.

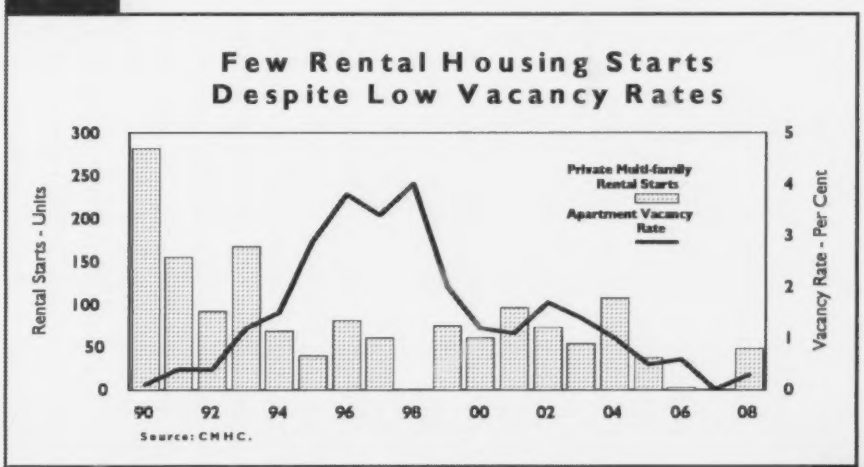
Kelowna's vacancy rate is forecast to edge upward, climbing to one per cent in 2009.

Rents for all building and bedroom types will continue to rise in response to low vacancy rates. Expect smaller increases next year as demand for rental accommodation eases. Average rent levels for one and two bedroom apartments (new and existing structures) will reach $835 and $1000, per month, respectively in 2009.

CMHC Surveys Secondary Rental Market

CMHC's October 2008 Rental Market Survey includes information on the secondary rental market, dwelling types other than purpose-built apartment and townhouse rental projects. The Secondary Rental Market Survey estimates the number of households in rented single detached, semi-detached, duplex, row and accessory apartment units. Rented apartment condominiums are not included in the Secondary Rental Market Survey in Kelowna. The Secondary Rental Market Survey also establishes average rents by bedroom and dwelling type. The results are shown in Tables 5.1 and 5.2. The additional information helps provide a more complete overview of the Kelowna area rental market. The methodology section at the end of this report provides more detailed information on the Secondary Rental Market Survey.

Figure 5



National Vacancy Rate Decreased in October 2008

The average rental apartment vacancy rate in Canada's 34 major centres[1] decreased to 2.2 per cent in October 2008 from 2.6 per cent in October 2007. The centres with the highest vacancy rates in 2008 were Windsor (14.6 per cent), St. Catharines-Niagara (4.3 per cent), and Oshawa (4.2 per cent). On the other hand, the major urban centres with the lowest vacancy rates were Kelowna (0.3 per cent), Victoria (0.5 per cent), Vancouver (0.5 per cent), and Regina (0.5 per cent).

Demand for rental housing in Canada increased due to high migration levels, youth employment growth, and the large gap between the cost of homeownership and renting. Rental construction and competition from the condominium market were not enough to offset growing rental demand.

The highest average monthly rents for two-bedroom apartments in new and existing structures were in Calgary ($1,148), Vancouver ($1,123), Toronto ($1,095), and Edmonton ($1,034), followed by Ottawa ($995), Kelowna ($967), and Victoria ($965). The lowest average monthly rents for two-bedroom apartments in new and existing structures were in Trois-Rivières ($505), Saguenay ($518), and Sherbrooke ($543).

Year-over-year comparison of rents in new and existing structures can be slightly misleading because rents in newly-built structures tend to be higher than in existing buildings. However, by excluding new structures, we can get a better indication of actual rent increases paid by most tenants. The average rent for two-bedroom apartments in existing structures increased in all major centres. The largest rent increases in existing structures were recorded in Saskatoon (20.3 per cent), Regina (13.5 per cent), Edmonton (9.2 per cent), and Kelowna (8.4 per cent). Overall, the average rent for two-bedroom apartments in existing structures across Canada's 34 major centres increased by 2.9 per cent between October 2007 and October 2008.

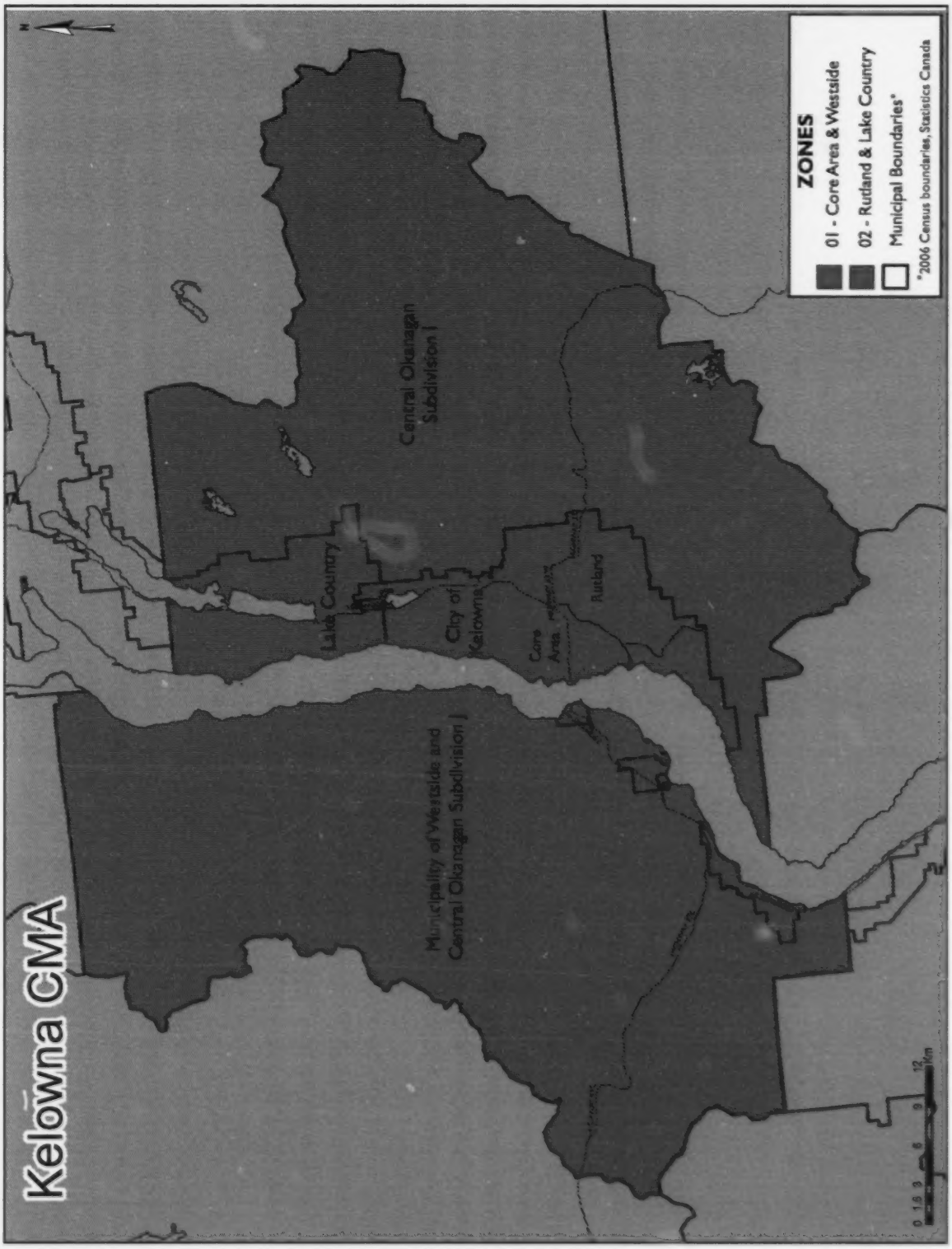
CMHC's October 2008 Rental Market Survey also covers condominium apartments offered for rent in Calgary, Edmonton, Montréal, Ottawa, Québec, Regina, Saskatoon, Toronto, Vancouver, and Victoria. In 2008, vacancy rates for rental condominium apartments were below one per cent in four of the 10 centres surveyed. Rental condominium vacancy rates were the lowest in Regina, Toronto, Ottawa, and Vancouver. However, Calgary and Edmonton registered the highest vacancy rates for condominium apartments at 4.0 per cent and 3.4 per cent in 2008, respectively.

The survey showed that vacancy rates for rental condominium apartments in 2008 were lower than vacancy rates in the conventional rental market in Ottawa, Regina, Saskatoon, and Toronto. The highest average monthly rents for two-bedroom condominium apartments were in Toronto ($1,625), Vancouver ($1,507), and Calgary ($1,293). All surveyed centres posted average monthly rents for two-bedroom condominium apartments that were higher than average monthly rents for two-bedroom private apartments in the conventional rental market in 2008.

Apartment Vacancy Rates (%) by Major Centres

	Oct-07	Oct-08
Abbotsford	2.1	2.6
Barrie	3.2	3.5
Brantford	2.9	2.4
Calgary	1.5	2.1
Edmonton	1.5	2.4
Gatineau	2.9	1.9
Greater Sudbury	0.6	0.7
Guelph	1.9	2.3
Halifax	3.1	3.4
Hamilton	3.5	3.2
Kelowna	0.0	0.3
Kingston	3.2	1.3
Kitchener	2.7	1.8
London	3.6	3.9
Moncton	4.3	2.4
Montréal	2.9	2.4
Oshawa	3.7	4.2
Ottawa	2.3	1.4
Peterborough	2.8	2.4
Québec	1.2	0.6
Regina	1.7	0.5
Saguenay	2.8	1.6
Saint John	5.2	3.1
Saskatoon	0.6	1.9
Sherbrooke	2.4	2.8
St. Catharines-Niagara	4.0	4.3
St. John's	2.6	0.8
Thunder Bay	3.8	2.2
Toronto	3.2	2.0
Trois-Rivières	1.5	1.7
Vancouver	0.7	0.5
Victoria	0.5	0.5
Windsor	12.8	14.6
Winnipeg	1.5	1.0
Total	**2.6**	**2.2**

[1] Major centres are based on Statistics Canada Census Metropolitan Areas (CMAs) with the exception of the Ottawa-Gatineau CMA which is treated as two centres for Rental Market Survey purposes.


Kelowna CMA
Municipality of Westside and Central Okanagan Subdivision
Central Okanagan Subdivision
Lake Country
City of Kelowna
Core Area
Rutland
ZONES
01 - Core Area & Westside
02 - Rutland & Lake Country
Municipal Boundaries*
*2006 Census boundaries, Statistics Canada

RMS ZONE DESCRIPTIONS - KELOWNA CMA	
Zone 1	**City of Kelowna** - Core area and Municipality of Westside.
Zone 2	**City of Kelowna** - Rutland and Lake Country.
Zones 1-2	**Kelowna CMA**

RENTAL MARKET REPORT TABLES

Available in ALL Rental Market Reports

Private Apartment Data:

1.1.1 Vacancy Rates (%) by Zone and Bedroom Type
1.1.2 Average Rents ($) by Zone and Bedroom Type
1.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
1.1.4 Availability Rates (%) by Zone and Bedroom Type
1.1.5 Estimate of Percentage Change (%) of Average Rent
1.2.1 Vacancy Rates (%) by Year of Construction and Bedroom Type
1.2.2 Average Rents ($) by Year of Construction and Bedroom Type
1.3.1 Vacancy Rates (%) by Structure Size and Bedroom Type
1.3.2 Average Rents ($) by Structure Size and Bedroom Type
1.4 Vacancy Rates (%) by Rent Range and Bedroom Type

Available in SELECTED Rental Market Reports

Private Apartment Data:

1.3.3 Vacancy Rates (%) by structure Size and Zone

Private Row (Townhouse) Data:

2.1.1 Vacancy Rates (%) by Zone and Bedroom Type
2.1.2 Average Rents ($) by Zone and Bedroom Type
2.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
2.1.4 Availability Rates (%) by Zone and Bedroom Type
2.1.5 Estimate of Percentage Change (%) of Average Rent

Private Apartment and Row (Townhouse) Data:

3.1.1 Vacancy Rates (%) by Zone and Bedroom Type
3.1.2 Average Rents ($) by Zone and Bedroom Type
3.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
3.1.4 Availability Rates (%) by Zone and Bedroom Type
3.1.5 Estimate of Percentage Change (%) of Average Rent

Available in the Quebec, Montreal, Ottawa, Toronto, Regina, Saskatoon, Edmonton, Calgary, Vancouver and Victoria Reports

Rental Condominium Apartment Data *

4.1.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%)
4.1.2 Rental Condominium Apartments and Private Apartments in the RMS - Average Rents ($)
4.1.3 Rental Condominium Apartments - Average Rents ($)
4.2.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%) by Building Size
4.3.1 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate
4.3.2 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate by Building Size

Available in the Montreal, Toronto, Vancouver, St. John's, Halifax, Quebec, Barrie, Ottawa, Regina, Saskatoon, Calgary, Edmonton, Abbotsford, Kelowna and Victoria Reports

Secondary Rented Unit Data

5.1 Secondary Rented Unit Average Rents ($) by Dwelling Type
5.2 Estimated Number of Households in Secondary Rented Units and Estimated Percentage of Households in Secondary Rented Units by Dwelling Type

1.1.1 Private Apartment Vacancy Rates (%) by Zone and Bedroom Type Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - Core Area	0.0 c	0.0 a	0.1 b	0.4 a	0.0 b	0.1 a	0.0 b	1.3 a	0.0 b	0.3 a
Zone 2 - Rutland	**	0.0 a	0.0 c	0.0 a	0.0 b	0.0 a	0.0 a	0.0 a	0.0 b	0.0 a
Kelowna CMA	**0.0 c**	**0.0 a**	**0.1 b**	**0.4 a**	**0.0 b**	**0.1 a**	**0.0 b**	**0.8 a**	**0.0 b**	**0.3 a**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.1.2 Private Apartment Average Rents ($) by Zone and Bedroom Type Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - Core Area	576 a	630 a	720 a	813 a	853 a	1,006 a	911 a	971 a	783 a	900 a
Zone 2 - Rutland	411 c	526 b	663 a	694 a	826 a	847 a	1,059 a	1,029 a	799 a	822 a
Kelowna CMA	**568 a**	**624 a**	**715 a**	**803 a**	**846 a**	**967 a**	**953 a**	**993 a**	**785 a**	**886 a**

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.1.3 Number of Private Apartment Units Vacant and Universe in October 2008 by Zone and Bedroom Type Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Zone 1 - Core Area	0 a	124	7 a	1,561	2 a	1,449	1 a	79	10 a	3,213
Zone 2 - Rutland	0 a	7	0 a	167	0 a	478	0 a	39	0 a	691
Kelowna CMA	**0 a**	**131**	**7 a**	**1,728**	**2 a**	**1,927**	**1 a**	**118**	**10 a**	**3,904**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.1.4 Private Apartment Availability Rates (%) by Zone and Bedroom Type Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - Core Area	0.9 d	0.0 a	0.4 a	1.7 a	0.2 a	1.5 a	0.0 b	1.3 a	0.3 a	1.5 a
Zone 2 - Rutland	**	0.0 a	1.2 a	0.6 a	0.8 a	0.6 a	0.0 a	0.0 a	0.8 a	0.6 a
Kelowna CMA	**0.8 d**	**0.0 a**	**0.5 a**	**1.6 a**	**0.4 a**	**1.3 a**	**0.0 b**	**0.8 a**	**0.4 a**	**1.4 a**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent [1] by Bedroom Type
Kelowna CMA

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08
Zone 1 - Core Area	6.5 b	**	7.8 b	8.6 a	6.1 b	9.4 a	**	**	7.0 b	9.3 a
Zone 2 - Rutland	**	**	**	**	11.2 a	4.2 c	**	-4.5 a	10.3 a	3.4 c
Kelowna CMA	**5.6 b**	**5.6 d**	**7.9 b**	**8.1 a**	**7.0 a**	**8.4 a**	**	**	**7.6 a**	**8.2 a**

[1]The Estimate of Percentage Change is a measure of the market movement, and is based on those structures that were common to the survey for both years.

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
++ change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0)
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable

Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.2.1 Private Apartment Vacancy Rates (%) by Year of Construction and Bedroom Type
Kelowna CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Kelowna CMA										
Pre 1960	**	**	n/s	**	**	**	n/u	n/u	**	**
1960 - 1974	0.0 c	0.0 a	0.0 b	0.4 a	0.0 b	0.0 a	**	0.0 a	0.0 b	0.2 a
1975 - 1989	**	0.0 a	0.0 b	0.7 a	0.0 b	0.1 a	**	**	0.0 b	0.4 a
1990+	**	0.0 a	0.3 b	0.0 a	0.0 b	0.1 a	0.0 c	1.6 a	0.1 b	0.2 a
Total	0.0 c	0.0 a	0.1 b	0.4 a	0.0 b	0.1 a	0.0 b	0.8 a	0.0 b	0.3 a

The following letter codes are used to indicate the reliability of the estimates:
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Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.2.2 Private Apartment Average Rents ($)
by Year of Construction and Bedroom Type
Kelowna CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Kelowna CMA										
Pre 1960	**	**	n/s	**	**	**	n/u	n/u	**	**
1960 - 1974	514 b	652 a	672 a	791 a	766 a	972 a	914 c	946 b	710 a	862 a
1975 - 1989	621 a	567 b	714 a	778 a	807 a	905 a	**	**	765 a	850 a
1990+	584 a	619 a	795 a	899 a	928 a	1,031 a	980 a	1,007 a	878 a	974 a
Total	568 a	624 a	715 a	803 a	846 a	967 a	953 a	993 a	785 a	886 a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.3.1 Private Apartment Vacancy Rates (%)
by Structure Size and Bedroom Type
Kelowna CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Kelowna CMA										
3 to 5 Units	n/u	n/u	**	**	**	0.0 a	**	6.7 a	**	3.0 a
6 to 19 Units	**	0.0 a	0.0 b	0.0 a	0.0 b	0.0 a	0.0 a	0.0 a	0.0 b	0.0 a
20 to 49 Units	0.0 b	0.0 a	0.0 b	0.8 a	0.0 b	0.1 a	**	0.0 a	0.0 b	0.4 a
50 to 99 Units	**	0.0 a	0.2 b	0.0 a	0.0 b	0.1 a	0.0 c	0.0 a	0.1 b	0.1 a
100+ Units	**	**	**	**	**	**	n/u	n/u	**	**
Total	0.0 c	0.0 a	0.1 b	0.4 a	0.0 b	0.1 a	0.0 b	0.8 a	0.0 b	0.3 a

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.3.2 Private Apartment Average Rents ($) by Structure Size and Bedroom Type Kelowna CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Kelowna CMA										
3 to 5 Units	n/u	n/u	**	**	**	987 a	**	1,003 a	910 a	930 a
6 to 19 Units	**	515 d	614 a	711 a	761 a	822 a	842 c	846 a	712 a	779 a
20 to 49 Units	577 a	570 a	728 a	795 a	847 a	965 a	**	**	783 a	874 a
50 to 99 Units	581 b	689 a	727 a	848 a	876 a	1,019 a	1,002 a	1,026 a	817 a	941 a
100+ Units	**	**	**	**	**	**	n/u	n/u	**	**
Total	568 a	624 a	715 a	803 a	846 a	967 a	953 a	993 a	785 a	886 a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.4 Private Apartment Vacancy Rates (%) by Rent Range and Bedroom Type Kelowna CMA

Rent Range	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Kelowna CMA										
LT $400	**	**	n/s	n/s	n/s	n/s	n/s	n/s	**	**
$400 - $499	**	**	**	**	n/s	n/s	n/s	n/s	**	**
$500 - $599	0.0 c	**	0.0 d	**	**	**	n/s	n/s	0.0 b	0.0 c
$600 - $799	0.0 d	0.0 c	0.1 b	0.4 a	0.0 b	0.0 b	**	**	0.1 b	0.3 a
$800 - $999	n/s	**	0.0 d	0.6 a	0.0 c	0.1 a	0.0 c	**	0.0 c	0.3 a
$1000+	n/s	n/s	n/s	**	0.0 c	0.1 b	**	1.8 c	0.0 c	0.2 b
Total	0.0 c	0.0 a	0.1 b	0.4 a	0.0 b	0.1 a	0.0 b	0.8 a	0.0 b	0.3 a

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

2.1.1 Private Row (Townhouse) Vacancy Rates (%) by Zone and Bedroom Type Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - Core Area	n/u	n/u	**	**	2.0 a	0.7 a	1.7 a	0.0 a	2.3 a	0.5 a
Zone 2 - Rutland	n/u	n/u	0.0 a	0.0 a	0.0 b	0.0 a	0.0 a	0.0 a	0.0 b	0.0 a
Kelowna CMA	**n/u**	**n/u**	**4.1 a**	**0.0 a**	**1.0 a**	**0.3 a**	**1.1 a**	**0.0 a**	**1.2 a**	**0.2 a**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

2.1.2 Private Row (Townhouse) Average Rents ($) by Zone and Bedroom Type Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - Core Area	n/u	n/u	**	**	889 a	1,000 b	1,132 b	1,242 a	944 a	1,045 b
Zone 2 - Rutland	n/u	n/u	524 c	533 c	778 b	851 b	931 a	1,018 b	800 b	866 b
Kelowna CMA	**n/u**	**n/u**	**571 b**	**608 b**	**834 a**	**920 b**	**1,048 a**	**1,164 b**	**875 a**	**958 b**

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

2.1.3 Number of Private Row (Townhouse) Units Vacant and Universe in October 2008 by Zone and Bedroom Type
Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Zone 1 - Core Area	n/u	n/u	**	**	1 a	141	0 a	53	1 a	206
Zone 2 - Rutland	n/u	n/u	0 a	13	0 a	149	0 a	33	0 a	195
Kelowna CMA	**n/u**	**n/u**	**0 a**	**25**	**1 a**	**290**	**0 a**	**86**	**1 a**	**401**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

2.1.4 Private Row (Townhouse) Availability Rates (%) by Zone and Bedroom Type
Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - Core Area	n/u	n/u	**	**	2.0 a	1.4 a	3.4 a	0.0 a	2.8 a	1.0 a
Zone 2 - Rutland	n/u	n/u	0.0 a	0.0 a	0.0 b	2.0 a	0.0 a	0.0 a	0.0 b	1.5 a
Kelowna CMA	**n/u**	**n/u**	**4.1 a**	**0.0 a**	**1.0 a**	**1.7 a**	**2.1 a**	**0.0 a**	**1.4 a**	**1.2 a**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

2.1.5 Private Row (Townhouse) Estimate of Percentage Change (%) of Average Rent [1] by Bedroom Type
Kelowna CMA

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08
Zone 1 - Core Area	n/u	n/u	**	**	12.3 a	**	**	6.9 b	13.0 c	9.8 b
Zone 2 - Rutland	n/u	n/u	**	**	**	**	11.9 a	**	**	5.3 c
Kelowna CMA	**n/u**	**n/u**	**	**	**10.0 c**	**9.3 c**	**16.3 d**	**6.0 c**	**10.6 d**	**8.0 b**

[1]The Estimate of Percentage Change is a measure of the market movement, and is based on those structures that were common to the survey for both years.

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
++ change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0)
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable

Please click Methodology or Data Reliability Tables Appendix links for more details

3.1.1 Private Row (Townhouse) and Apartment Vacancy Rates (%) by Zone and Bedroom Type
Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - Core Area	0.0 c	0.0 a	0.1 a	0.4 a	0.2 a	0.2 a	0.7 a	0.8 a	0.2 a	0.3 a
Zone 2 - Rutland	**	0.0 a	0.0 b	0.0 a	0.0 b	0.0 a	0.0 a	0.0 a	0.0 b	0.0 a
Kelowna CMA	**0.0 c**	**0.0 a**	**0.1 a**	**0.4 a**	**0.1 a**	**0.1 a**	**0.4 a**	**0.5 a**	**0.1 a**	**0.3 a**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable

Please click Methodology or Data Reliability Tables Appendix links for more details

3.1.2 Private Row (Townhouse) and Apartment Average Rents ($) by Zone and Bedroom Type
Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - Core Area	576 a	630 a	720 a	812 a	856 a	1,005 a	994 a	1,095 b	793 a	909 a
Zone 2 - Rutland	411 c	526 b	656 a	687 a	815 a	848 a	992 a	1,024 a	799 a	832 a
Kelowna CMA	**568 a**	**624 a**	**714 a**	**800 a**	**845 a**	**961 a**	**994 a**	**1,069 a**	**794 a**	**893 a**

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click Methodology or Data Reliability Tables Appendix links for more details

3.1.3 Number of Private Row (Townhouse) and Apartment Units Vacant and Universe in October 2008 by Zone and Bedroom Type
Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Zone 1 - Core Area	0 a	124	7 a	1,573	3 a	1,590	1 a	132	11 a	3,419
Zone 2 - Rutland	0 a	7	0 a	180	0 a	627	0 a	72	0 a	886
Kelowna CMA	**0 a**	**131**	**7 a**	**1,753**	**3 a**	**2,217**	**1 a**	**204**	**11 a**	**4,305**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click Methodology or Data Reliability Tables Appendix links for more details

3.1.4 Private Row (Townhouse) and Apartment Availability Rates (%) by Zone and Bedroom Type Kelowna CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - Core Area	0.9 d	0.0 a	0.5 a	1.7 a	0.4 a	1.5 a	1.3 a	0.8 a	0.5 a	1.5 a
Zone 2 - Rutland	**	0.0 a	1.1 a	0.6 a	0.6 a	1.0 a	0.0 a	0.0 a	0.6 a	0.8 a
Kelowna CMA	**0.8 d**	**0.0 a**	**0.5 a**	**1.5 a**	**0.4 a**	**1.4 a**	**0.9 a**	**0.5 a**	**0.5 a**	**1.3 a**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

3.1.5 Private Row (Townhouse) and Apartment Estimate of Percentage Change (%) of Average Rent [1] by Bedroom Type Kelowna CMA

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08
Zone 1 - Core Area	6.5 b	**	7.8 b	8.5 a	6.5 b	9.5 a	**	12.5 d	7.4 b	9.3 a
Zone 2 - Rutland	**	**	**	**	10.3 c	4.4 c	9.4 a	++	9.7 a	3.7 c
Kelowna CMA	**5.6 b**	**5.6 d**	**7.8 b**	**8.0 a**	**7.3 a**	**8.5 a**	**8.9 c**	**	**7.9 a**	**8.2 a**

[1] The Estimate of Percentage Change is a measure of the market movement, and is based on those structures that were common to the survey for both years.

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
++ change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0)
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable

Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

5.1 Other Secondary Rented Unit[1] Average Rents ($) by Dwelling Type Kelowna CMA - October 2008

	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Kelowna CMA										
Single Detached	n/s	n/s	**	**	1,033 b	1,040 c	1,148 b	1,411 c	1,081 b	1,260 b
Semi detached, Row and Duplex	n/s	n/s	**	**	905 d	**	1,011 b	1,039 b	943 b	1,004 c
Other-Primarily Accessory Suites	n/s	n/s	667 b	**	819 b	868 c	**	**	790 b	919 c
Total	**	n/s	681 d	847 c	925 b	976 c	1,099 a	1,270 b	962 a	1,092 b

[1]Statistics for secondary rented units exclude apartments in purpose built rental structures with three rental units or more, condominium apartments, units in institutions, and any dwelling whose type could not be identified in the survey.

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

5.2 Estimated Number of Households in Other Secondary Rented Units [1] by Dwelling Type Kelowna CMA - October 2008

	Estimated Number of Households in Other Secondary Rented Units[1]	
	Oct-07	Oct-08
Kelowna CMA		
Single Detached	3,477 b	3,411 b
Semi detached, Row and Duplex	2,748 a	2,574 b
Other-Primarily Accessory Suites	1,943 d	1,649 b
Total	8,167 a	7,634 a

[1]Statistics for secondary rented units exclude apartments in purpose built rental structures with three rental units or more, condominium apartments, units in institutions, and any dwelling whose type could not be identified in the survey.

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data from sampled structures. Most RMS data contained in this publication refer to privately initiated apartment structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. In October 2006, CMHC has introduced a new measure for the change in rent that is calculated based on existing structures only. This estimate is based on structures that were common to the survey sample the previous year and the current year of the Rental Market Survey. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in the Rental Market Report – Canada Highlights , Provincial Highlights, and the local Rental Market Reports. The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in September and October to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS. CMHC has identified the following dwelling components to be included in SRMS:

- Rented single-detached houses.
- Rented double (semi-detached) houses (i.e.. Two units of approximate equal size and under one roof that are situated either side-by-side or front-to-back).
- Rented freehold row/town homes.
- Rented duplex apartments (i.e.. one-above-other).
- Rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type).
- Rented condominiums (can be any dwelling type but are primarily apartments).
- One or two apartments which are part of a commercial or other type of structure.

The SRMS has three components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents.
- A Condominium Apartment Rent Survey of households living in condominium apartments to collect information about rents.
- A Condominium Apartment Vacancy Survey of condominium apartment owners to collect vacancy information.

All three surveys are conducted by telephone interviews. For the condominium apartment vacancy survey, information is obtained from the owner, manager, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the other two surveys, information is collected from an adult living in the household. All surveys are conducted in September and October, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates for the condominium vacancy survey. For the condominium rent and household rent surveys, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability. In 2008, rented condominium apartments were surveyed in the following CMAs: Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, Toronto, Ottawa, Montréal and Québec (NOTE: condo rent data was not collected for Regina and Saskatoon). Other secondary rental market units were surveyed in Abbotsford, Barrie, Calgary, Edmonton, Halifax, Montreal, Ottawa, Quebec, St. John's, Toronto, Regina, Saskatoon, Kelowna, Vancouver and Victoria.

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

All data presented in this publication is based on Statistics Canada's 2001 and 2006 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

Rental Affordability Indicator

Canada Mortgage and Housing Corporation has developed a new rental affordability indicator to gauge how affordable a rental market is for those households which rent within that market. The level of income required for a household to rent a median priced two-bedroom apartment, using 30 per cent of its income, is calculated. The three-year moving average of median income of households in a centre is then divided by this required income. The resulting number is then multiplied by 100 to form the indicator. A value above 100 indicates that less than 30 per cent of the median income is required to rent a two-bedroom apartment, conversely, a value below 100 indicates that more than 30 per cent of the median income is required to rent the same unit. In general, as the indicator increases, the market becomes more affordable; as the indicator declines, the market becomes less affordable.

Median renter household income estimates used in the calculation of the rental affordability indicator are based on results of Statistics Canada's Survey of Labour and Income Dynamics. Results for this survey are available from 1994 to 2005. CMHC has developed forecasts of median renter household income for 2006, 2007 and 2008.

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